

In the Claims

Please cancel claims 1-44.

Please amend claims 45 and 47 as indicated in the following listing of claims.

Listing of Claims

Claims 1-44 (Cancelled).

45. (Currently Amended) A method of filtering fluids comprising the steps of:

- (a) flowing at least two fluids into a housing;
- (b) passing the fluids around a filter element partially surrounded by an a non-permeable barrier at the lower end of the filter element;
- (c) allowing the fluids to separate by gravity so that the lighter fluid can flow above the sleeve in the housing above the barrier;
- (d) further passing the lighter fluid through a filter media;
- (e) collecting the lighter fluid after passing through the filter element; and
- (f) collecting the heavier fluid in the housing.

46. (Original) A method of filtering fluids of claim 45 wherein the fluid mixture contains solids and additionally filtering the solids by the filter element.

47. (Currently Amended) A method of filtering fluids comprising the steps of:

- (a) flowing at least two fluids into a housing;
- (b) passing the fluids around a filter element partially surrounded by an a non-permeable barrier at the upper end of the filter element;
- (c) allowing the fluids to separate by gravity so that the lighter fluid can flow above the sleeve in the housing adjacent to the barrier;
- (d) further passing the heavier fluid through a filter media;
- (e) collecting the heavier fluid after passing through the filter element; and
- (f) collecting the lighter fluid in the housing.

48. (Original) A method of filtering fluids of claim 47 wherein the fluid mixture contains solids and additionally filtering the solids by the filter element.